

HOUSE BILL No. 1467

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5.

Synopsis: Sales tax exemption for college textbooks. Provides that sales of textbooks are exempt from the state gross retail tax if: (1) the textbooks are required for an undergraduate course at an accredited college or university; and (2) the purchaser is a student enrolled in an accredited college or university or the parent or guardian of a student enrolled in an accredited college or university.

Effective: July 1, 2001.

Robertson

January 11, 2001, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1467

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-2.5-5-26 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 26. (a) Sales of tangible
3 personal property are exempt from the state gross retail tax, if:
4 (1) the seller is an organization which is granted a gross income
5 tax exemption under IC 6-2.1-3-19, IC 6-2.1-3-20, IC 6-2.1-3-21,
6 or IC 6-2.1-3-22;
7 (2) the organization makes the sale to make money to carry on the
8 not-for-profit purpose for which it receives its gross income tax
9 exemption; and
10 (3) the organization does not make those sales during more than
11 thirty (30) days in a calendar year.
12 (b) Sales of tangible personal property are exempt from the state
13 gross retail tax, if:
14 (1) the seller is an organization which is granted a gross income
15 tax exemption under IC 6-2.1-3-19, IC 6-2.1-3-20, IC 6-2.1-3-21,
16 or IC 6-2.1-3-22;
17 (2) the seller is not operated predominantly for social purposes;

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(3) the property sold is designed and intended primarily either for the organization's educational, cultural, or religious purposes, or for improvement of the work skills or professional qualifications of the organization's members; and

(4) the property sold is not designed or intended primarily for use in carrying on a private or proprietary business.

(c) The exemption provided by this section does not apply to an accredited college college's or university's sales of the following:

(1) Books other than textbooks exempt under section 39 of this chapter.

(2) Stationery.

(3) Haberdashery.

(4) Supplies. or

(5) Other property.

SECTION 2. IC 6-2.5-5-39 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 39. Sales of textbooks are exempt from the state gross retail tax if:**

(1) the textbooks are required for an undergraduate course at an accredited college or university; and

(2) the purchaser is a student enrolled in an accredited college or university or the parent or guardian of a student enrolled in an accredited college or university.

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